

**Testimony of**  
**UIL Holdings Corporation**  
**Before the Energy and Technology Committee**  
**On**  
**Section 4**  
**Of**  
**RB 1079 - AN ACT CONCERNING OPERATIONS OF PUBLIC SERVICE**  
**COMPANIES**  
**Legislative Office Building**  
**March 3, 2011**

Good afternoon, Senator Fonfara, Representative Nardello and members of the Energy & Technology Committee. My name is Laura Gonzalez and I am the Director of Collections at The United Illuminating Company (UI). I am here today to offer UIL Holdings Corporation's (UIL) comments regarding **Raised Bill 1079 - AN ACT CONCERNING OPERATIONS OF PUBLIC SERVICE COMPANIES**

UIL, on behalf of its operating companies, UI, The Southern Connecticut Gas Company (SCG) and Connecticut Natural Gas Corporation (CNG), appreciate this opportunity to discuss proposed changes included in Section 4 of this Bill that would allow utilities to disconnect service to residential accounts on Fridays for non-payment as long as the utilities are open on Saturday to serve these customers or when the Department of Public Utility Control (DPUC) determines there are sufficient remote payment centers open on Saturdays at which customers may make payments. Under this Bill, the utilities' personnel effecting the termination on a Friday must also be able to accept non-cash payments from customers seeking to prevent the disconnection.

To better serve all customers and to be able to mitigate rising uncollectible expenses that are borne by all customers, utilities must maximize opportunities to disconnect service when customers fail to pay their energy bills or do not contact their energy utility to make a payment arrangement or seek financial assistance. The six month winter moratorium period, which is aimed to protect hardship customers from disconnection, also results in large arrearages for customers who fail to make payments during the heating season. The ability to disconnect on Fridays will help increase collection efforts after the moratorium ends, and help reduce outstanding balances and uncollectible expenses overall.

UI, SCG and CNG customers have a number of payment options available to pay their utility bills. These options include:

- Authorized payment agents in many locations within our service areas
- Payment on company websites and over the phone
- Payment using Debit and Credit Cards

Approximately 83,000 of 325,000 UI customers are in a delinquent status, with arrearages of almost \$53 million. At SCG/CNG, 92,000 customers are in a delinquent status, with arrearages of about \$47 million. UIL's operating companies continue to work with customers to establish affordable payment arrangements to keep their service on. In addition, we have ongoing communications regarding ways to reduce overall energy costs including information on weatherization and conservation programs. The companies also promote matching payment programs that help hardship customers reduce outstanding balances. The potential for termination of service mitigates uncollectible risk when customers fail to meet their financial obligations and do not

contact us to make payment arrangements or apply for hardship protection from November 1 to May 1. All of our companies take a number of steps to ensure that customers receive ample notification to avoid disconnection of service. UI, SCG and CNG want to encourage payment. However, given the large arrearages and the burden uncollectible risks place on all other customers, sometimes termination of service is the only alternative.

In conclusion, allowing utilities to disconnect service on Fridays will help collection efforts, which help our customers as a whole. The prohibition on Friday disconnections eliminates 20% of all work days from the utilities' time and resource availability for disconnections. This is unnecessarily restrictive in today's world of real time electronic and telephone transactions. Customers now have the ability to pay their bills 24 hours per day/7 days per week/365 days per year. They also have the ability to make payments or payment arrangements with assistance from representatives in the call centers Monday through Saturday to schedule reconnection of service. The prohibition against Friday service disconnections is no longer necessary given the multitude of customer payment and service options available today.

Thank you for this opportunity and I will try to answer any questions you may have.